

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF VERMONT**

SCOTT TRAUDT,)
Plaintiff,)
)
v.) Case No. 2:24-cv-782
)
ARI RUBINSTEIN,)
GTS SECURITIES LLC,)
GTS EQUITY PARTNERS LLC,)
GTS EXECUTION SERVICES LLC,)
CHARLES W. SCHWAB AND CO. INC.,)
SCHWAB HOLDINGS, INC.,)
FINANCIAL INDUSTRY REGULATORY)
AUTHORITY,)
Defendants,)
)
GARY GENSLER,)
US SECURITIES AND EXCHANGE)
COMMISSION,)
Respondent)
)

**CHARLES SCHWAB & CO., INC. AND SCHWAB HOLDINGS, INC.
OPPOSITION TO PLAINTIFF'S MOTION FOR A PRESERVATION ORDER**

Defendants Charles Schwab & Co., Inc. and Schwab Holdings, Inc. (collectively, “Schwab”) submit this opposition to plaintiff Scott Traudt’s (“Plaintiff”) Motion for a Preservation Order (Dkt. No. 13) (“Motion”). It is unclear whether Plaintiff intends his Motion to apply to Schwab. To the extent that Plaintiff does, Schwab opposes the Motion and joins defendant Financial Industry Regulatory Authority’s (“FINRA”) arguments as advanced in Section III of FINRA’s opposition to the Motion that Plaintiff has not met his burden to obtain such an order. *See* Dkt. No. 29 at 5–13. Additionally, for the reasons stated in its Motion to Stay in Favor of

Arbitration, incorporated herein by reference, Schwab opposes the Motion on the grounds (1) that Mr. Traudt agreed to pursue any relief against Schwab (including any relief in the nature of discovery) in arbitration and (2) that the Federal Arbitration Act, 9 U.S.C. § 3, provides for a stay of proceedings “upon any issue referable to arbitration under an agreement in writing for such arbitration.” *See* Dkt. No. 8 at 5–9

DATED at Burlington, Vermont, this 30th day of August 2024.

By: /s/ Justin B. Barnard

Justin B. Barnard, Esq.
Anne B. Rosenblum, Esq.
DINSE P.C.
209 Battery Street
Burlington, VT 05401
802-864-5751
jbarnard@dinse.com
arosenblum@dinse.com

Jeff Goldman, Esq. (admitted *pro hac vice*)
Felipe Escobedo, Esq. (admitted *pro hac vice*)
MORGAN, LEWIS & BOCKIUS LLP
One Federal Street
Boston, MA 02110
Tel: (617) 341-7700
jeff.goldman@morganlewis.com
felipe.escobedo@morganlewis.com

*Counsel for Charles Schwab & Co., Inc. and
Schwab Holdings, Inc.*

CERTIFICATE OF SERVICE

I hereby certify that on August 30, 2024, the foregoing **Opposition to Plaintiff's Motion For A Preservation Order** is being filed through the CM/ECF system and that a copy of the same will be sent electronically to all registered participants. A copy of the above-referenced document will also be sent to the Plaintiff at the following mailing address and email address:

Scott Traudt
191 Kibling Hill Road
Strafford, VT 05072
sct545@proton.me

/s/Anne Rosenblum
Justin B. Barnard, Esq.
Anne B. Rosenblum, Esq.
DINSE P.C.
209 Battery Street
Burlington, VT 05401
802-864-5751
jbarnard@dinse.com
arosenblum@dinse.com

Jeff Goldman, Esq. (admitted *pro hac vice*)
Felipe Escobedo, Esq. (admitted *pro hac vice*)
MORGAN, LEWIS & BOCKIUS LLP
One Federal Street
Boston, MA 02110
Tel: (617) 341-7700
jeff.goldman@morganlewis.com
felipe.escobedo@morganlewis.com

*Counsel for Charles Schwab & Co., Inc. and
Schwab Holdings, Inc.*